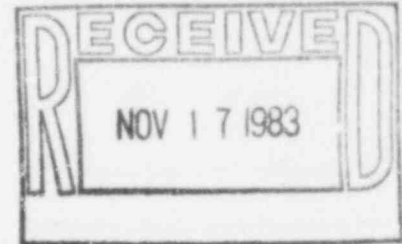




KANSAS GAS AND ELECTRIC COMPANY

November 14, 1983

WILSON K. CADMAN
CHAIRMAN OF THE BOARD AND PRESIDENT



Mr John T Collins
Regional Administrator
U S Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Dear John:

It was good to see you and your associates at Wolf Creek last week during the SALP meeting. As you know, I take these activities dead seriously, and my staff and I will respond with action to both the written and oral reports.

I really didn't give you a complete answer to your friendly comment about the recent newspaper interview regarding Wolf Creek. The interview was actually about 3½ hours so you can well imagine we covered a multitude of subjects. I did indeed mention regulation as having increased the cost of nuclear power plants, including Wolf Creek. But during the interview I also mentioned that regulation had increased the cost of coal plants, and all utility construction for that matter...federal and state, EPA, water regs, coal mining, land restoration, black lung fund, etc.

The major point that I mentioned as to regulation had to do with Kansas laws that expressly prohibit construction work in progress. That is, of course, something that you and your folks don't have to deal with, but from our perspective, is a factor that has one of the greater impacts on costs. Some 30 states allow CWIP in some form, and as I've mentioned, in Kansas it is expressly prohibited except for equipment that can go into operation within one year's time.

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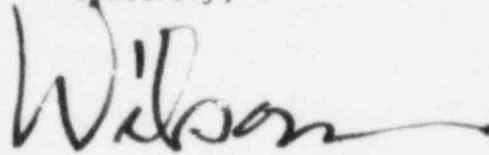
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To illustrate that, all Kansas agencies are under a sunset provision and are required to be audited by the legislative post audit division. At the last audit of the Kansas Corporation Commission, the post audit division accountants concluded that the lack of CWIP added to the cost of the Jeffrey Energy Center (a coal plant of which we own 20%) and Wolf Creek by \$1.2 billion dollars. I believe the part added to Wolf Creek was on the order of \$800 million.

I'm sorry I didn't expand before the group last week, and thought you would be interested in those numbers. Again, it was good to see you at Wolf Creek last Thursday.

Sincerely,

A handwritten signature in dark ink, appearing to read "Wilson", with a long, sweeping horizontal stroke extending to the right.

WKC/jh